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FORT WAYNE MILK MARKET NEWS

Federal Milk Order No. 32  
U. S. Department of Agriculture  
Dairy Division  
Agricultural Marketing Service

Market Administrator  
507 Strauss Building  
809-11 S. Calhoun St.  
Fort Wayne 2, Indiana

Issued for Information of Producers  
Who Are Not Members of Cooperative Associations

Vol. 2 No. 8

August 1958

JULY UNIFORM PRICE \$3.53

Dairy farmers who delivered Fort Wayne Grade "A" milk to handlers subject to the Fort Wayne Milk Order during July 1958, will receive a minimum uniform price of \$3.53 per hundredweight for milk testing 3.5%. A butterfat differential of 6.6 cents for each one-tenth of one percent that individual tests vary above or below the 3.5% standard will be used. This minimum price is subject to a 4 cent per hundredweight marketing service deduction, authorized hauling charges and the applicable 3 percent transportation tax. The computation of the minimum blend price is shown on page 4 and the class prices on page 3.

The \$3.53 price for July 1958 is 13 cents below the July 1957 price. It is 27 cents above the June 1958 price.

PRODUCTION AND UTILIZATION

Producers pooled 10,731,118 pounds of Fort Wayne approved milk during July 1958, of which 5,574,692 pounds or 51.9% was utilized in Class I. Production was down 6.5% from June 1958 but up 8.7% from a year ago in July. Class I utilization of producer milk was up 4.3% from June 1958 and up 14.0% from July 1957.

There were 917 producers in the pool for July 1958 which is 19 less than June 1958 and 15 less than in July a year ago. Average production per farm per day was 377 pounds for July 1958. Daily farm production for June 1958 and July 1957 was 409 pounds and 342 pounds, respectively. Other comparable market statistics will be found on pages 2 and 3.

AUGUST 1958, SUPPLY DEMAND ADJUSTMENT +10¢

The supply demand adjustment for August 1958 will be +10 cents. Total difference between the August Class II and Class I prices, therefore, will be \$1.25.

INSTRUCTIONS ISSUED ON HAULING TAX REPEAL

Expiration of the federal tax on the transportation of property on July 31 will mean no tax on hauling charges paid in August -- regardless of the fact that the hauling may have been done at an earlier date. Instructions issued by Internal Revenue Service emphasize the fact that the determining factor is the date of payment and not the date the hauling charge became due.

The applicable date of the repeal is important to dairy farmers, because in many cases milk hauling charges for the month of July will not be deducted from the farmer's check and paid to the hauler until sometime in August. No tax need be collected on the hauling charges paid in August for milk hauled in July.

(From the National Milk Producers Federation News - July 18, 1958)



UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

<u>CLASS I MILK</u>	<u>July 1958</u> <u>Reported</u>		<u>July 1957</u> <u>Audited</u>	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
Fluid Milk	5,902,377	208,625	5,294,652	186,365
Fortified Skim Milk	199,590	3,255	173,130	2,990
Skim Milk	73,662	226	84,563	99
Buttermilk	87,849	805	86,283	839
Flavored Milk/Drink	190,288	3,656	189,768	3,611
Cream Mixtures	107,236	13,407	96,144	11,438
Light Cream	23,913	4,762	26,307	5,055
Heavy Cream	8,047	2,882	9,473	3,507
Sour Cream	8,398	1,589	5,239	984
Ice Cream Mix	-0-	-0-	1,560	189
Sub Totals	6,601,360	239,207	5,967,419	215,077
Plus Unaccounted For	9,882	2,397	5,574	383
Gross Total Class I Milk	6,611,242	241,604	5,972,993	215,460
Less Other Source Receipts	1,036,550	38,367	1,081,219	38,141
Less Overages	-0-	-0-	-0-	-0-
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>5,574,692</u>	<u>203,237</u>	<u>4,891,774</u>	<u>177,319</u>
<u>CLASS II MILK</u>				
Used by Pool Plants in the Manufacture of Class II items	7,713,386	165,312	8,324,771	167,945
Sales to Non-Pool Manufacturing Plants	3,096,841	252,620	3,584,764	282,549
Inventory Variation	- 16,212	- 18,924	- 100,086	- 7,477
Dumped or Livestock Feed	15,400	518	15,285	141
Class II Shrinkage	263,139	11,256	94,352	8,952
Gross Total Class II Milk	11,072,554	410,782	11,919,086	452,110
Less Other Source Receipts	5,916,128	228,860	6,941,987	274,489
Less Overages	-0-	-0-	179	179
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>5,156,426</u>	<u>181,922</u>	<u>4,976,920</u>	<u>177,442</u>
<u>TOTAL PRODUCER MILK IN BOTH CLASSES</u>	<u>10,731,118</u>	<u>385,159</u>	<u>9,868,694</u>	<u>354,761</u>

UTILIZATION PERCENTAGES

	<u>July 1958</u>		<u>July 1957</u>	
	<u>Milk</u>	<u>B. F.</u>	<u>Milk</u>	<u>B. F.</u>
Producer Milk Utilized in Class I	51.95	52.77	49.57	49.98
Other Source Milk Utilized in Class I	14.91	14.36	13.48	12.20
Producer Milk Utilized in Class II	48.05	47.23	50.43	50.02
Other Source Milk Utilized in Class II	85.09	85.64	86.52	87.80

AVERAGE TESTS

Average Test of Producer Milk Class I	3.65	3.62
Average Test of Producer Milk Class II	3.53	3.57
Average Test of Total Producer Milk	3.59	3.59





STATISTICAL SUMMARY FOR JULY 1958

Order No. 32, as Amended	July 1958 Reported	June 1958 Reported	July 1957 Audited	July 1956 Audited
Gross: Class I Milk (Lbs.)	6,611,242	6,320,234	5,972,993	5,993,070
Class II Milk	<u>11,072,554</u>	<u>13,597,171</u>	<u>11,919,086</u>	<u>9,526,973</u>
Total Gross Utilization	17,683,796	19,917,405	17,892,079	15,520,043
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Total Daily Class I Milk (Lbs.)	213,266	210,674	192,677	193,325
Daily Class I Milk Compared With:		+ 1.23%	+ 10.69%	+ 10.31%
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Receipts: Producers Class I	5,574,692	5,347,120	4,891,774	4,922,739
Class II	<u>5,156,426</u>	<u>6,133,383</u>	<u>4,976,920</u>	<u>5,228,147</u>
Total	10,731,118	11,480,503	9,868,694	10,150,886
Other Sources	6,952,678	8,436,331	8,023,206	5,369,084
Overages	<u>-0-</u>	<u>571</u>	<u>179</u>	<u>73</u>
Total Receipts (Lbs.)	17,683,796	19,917,405	17,892,079	15,520,043
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Daily Production (Lbs.)	346,165	382,683	318,345	327,448
Daily Production Compared With:		- 9.54%	+ 8.74%	+ 5.72%
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Number of Producers	917	936	932	951
Daily Production per Farm (Lbs.)	377	409	342	344
Producers' Average Butterfat Test	3.59%	3.56%	3.59%	3.58%
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Gross Class I Milk to Producer Milk	61.6%	55.1%	60.5%	59.0%
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Class II Price (3.5%)	\$2.877	\$2.868	\$3.078	\$3.071
Basic Adjustment	1.15	.75	1.15	1.41
Supply-Demand Adjustment	+ .07	+ .07	.00	.00
Class I Price	<u>\$4.097</u>	<u>\$3.688</u>	<u>\$4.228</u>	<u>\$4.481</u>
Uniform Price (3.5%)	\$3.53	\$3.26	\$3.66	\$3.77
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Butterfat Differentials: Class I	\$ .075	\$ .075	\$ .077	\$ .077
Class II	.066	.066	.068	.068
Producer	.066	.066	.068	.068
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Pool Value of Producer Milk	\$384,372	\$379,411	\$367,066	\$387,737
Value of Producer Milk per Farm	419	405	394	408
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Non-Fat Dried Milk Solids Price	\$ .1254	\$ .1242	\$ .1416	\$ .1416
Cheddar Cheese Price	.3356	.3356	.3508	.3506
92-Score Butter Price, Chicago	.5775	.5775	.5938	.5921
Mft. Pay Price (4 plants)	2.781	2.781	2.894	2.914
Butter-Cheese Formula Price	2.756	2.755	2.842	2.835
Butter-Skim Powder Formula Price	2.877	2.868	3.078	3.071





FEDERAL MILK MARKET ADMINISTRATOR  
FORT WAYNE INDIANA MARKETING AREA

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United States Secretary  
of Agriculture  
Order No. 32, as Amended

507 Strauss Building  
809-11 S. Calhoun St.  
Fort Wayne 2, Indiana

ANNOUNCEMENT AND COMPUTATION OF UNIFORM PRICE FOR JULY 1958  
(Based on Reports of 10 Handlers)

Uniform Price \$3.53 / Cwt., for 3.5% Milk

ALLOCATION AND VALUE OF PRODUCER MILK

	<u>Pounds</u>	<u>Value Cwt.</u>	<u>Total Value</u>
Class I Butterfat	203,237	\$76.472	\$155,419.39
Skim	<u>5,371,455</u>	1.472	<u>79,067.82</u>
Product	5,574,692	<u>\$ 4.206</u>	\$234,487.21
Class II Butterfat	181,922	\$66.567	\$121,100.02
Skim	<u>4,974,504</u>	.567	<u>28,205.43</u>
Product	<u>5,156,426</u>	<u>\$ 2.896</u>	<u>\$149,305.45</u>
Total Producer Deliveries Pooled	10,731,118	\$ 3.577	\$383,792.66
Add: Overage Value		.000	.00
		<u>\$ 3.577</u>	<u>\$383,792.66</u>
Add: Other Source Assessments		.005	579.27
Total Value of Producer Milk		<u>\$ 3.582</u>	<u>\$384,371.93</u>
Subtract: Butterfat Adjustment		.059	6,316.11
		<u>\$ 3.523</u>	<u>\$378,055.82</u>
Add: Cash Balance at August 11, 1958		.048	5,126.19
		<u>\$ 3.571</u>	<u>\$383,182.01</u>
Subtract: Reserve (between 4¢ and 5¢)		.041	<u>4,373.54</u>
Announced 3.5% Uniform Price		<u>\$ 3.53</u>	<u>\$378,808.47</u>

IMPORTANT: The announced uniform price of \$3.53 cwt., is subject to a butterfat differential of \$.066 cwt., for each 1/10 of 1% butterfat content variance from 3.5%. This price is subject to the applicable marketing service deduction together with the authorized hauling charges and the 3% transportation tax on hauling charges paid in July.

PRODUCER UNIFORM PRICES AT BUTTERFAT TEST FOR JULY 1958  
(F. O. B. Fort Wayne, Indiana)

<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>
3.25	\$3.365	3.75	\$3.695	4.35	\$4.091	4.95	\$4.487
3.30	3.393	3.80	3.728	4.40	4.124	5.00	4.520
3.35	3.431	3.85	3.761	4.45	4.157	5.05	4.553
3.40	3.464	3.90	3.794	4.50	4.190	5.10	4.586
3.45	3.497	3.95	3.827	4.55	4.223	5.15	4.619
		4.00	3.860	4.60	4.256	5.20	4.652
3.50	3.53	4.05	3.893	4.65	4.289	5.25	4.685
		4.10	3.926	4.70	4.322	5.30	4.718
3.55	3.563	4.15	3.959	4.75	4.355	5.35	4.751
3.60	3.596	4.20	3.992	4.80	4.388	5.40	4.784
3.65	3.629	4.25	4.025	4.85	4.421	5.45	4.817
3.70	3.662	4.30	4.058	4.90	4.454	5.50	4.850

August 11, 1958

R. J. Connolly, Market Adm.

